ARTICLE APPEARED

# C.I.A. AIDES MADE 'SERIOUS ERRORS,' LEGISLATOR SAYS

By BERNARD GWERTZMAN
Special to The New York Times

WASHINGTON, Dec 10 — William J. Casey, the Director of Central Intelligence, gave five and a half hours of secret testimony today on the Iran arms operation, and afterward a key Republican legislator said it appeared that "serious errors of judgment" had been committed by senior C.I.A. officials.

Representative William S. Broomfield of Michigan, the senior Republican on the House Foreign Affairs Committee, said the director's sworn testimony to the panel made it clear that the C.I.A. would have to improve its "internal oversight and control over certain operations."

## **Errors Not Specified**

Mr. Broomfield did not say what the errors of judgment were.

On another matter, members of the Foreign Affairs Committee said Mr. Casey maintained in his testimony that he had learned of the diversion of money from the Iran arms sales to the Nicaraguan rebels only when Attorney General Edwin Meese 3d told him about it Nov. 24, the day before Mr. Meese made it public.

The New York Times reported in its late editions today that Mr. Casey learned about the diversion of money a month before the public disclosure. The report, attributed to Administration officials, said Mr. Casey had then asked Vice Adm. John M. Poindexter, the national security adviser at the time, about the transaction.

# **Account Is Confirmed**

A senior White House official confirmed the account today. Lawmakers said Mr. Casey was not asked directly at the House hearing about the Times account.

Administration officials explained the discrepancy today by saying that Mr. Casey had suspicions in October that money was being siphoned off for the contras but did not learn, in the words of one official, "with finality" until Mr. Meese told him.

In his testimony today, Mr. Casey, accompanied by several top aides, provided additional information on the C.I.A.'s role in the secret provision of arms to Iran, including its handling of the \$12 million paid by Iran for the spare parts and weapons. According to two Congressmen, Mr. Casey said that four different deposits were made into

NEW YORK TIMES 11 December 1986

one of the C.I.A.'s Swiss bank accounts, and that the account had now been closed down.

Mr. Casey, according to Congressmen, continued to insist in his sworn testimony that neither he nor the agency was involved in the diversion of those Iranian payments to the Nicaraguan rebels. That led to criticism from some Democrats that he was very unresponsive. Representative Lee H. Hamilton, Democrat of Indiana, who also heads the House Intelligence Com-

mittee, said many questions remained.

The reveleation of the diversion of Iran arms funds to the contras, made at a news conference by Mr. Meese, touched off several investigations, the dismissal of Lieut. Col. Oliver L. North, the White House aide who had been identified by Mr. Meese as having handled the diversion of funds, and the resignation of Admiral Poindexter, who was Colonel North's superior.

Both Colonel North and Admiral Poindexter have refused to supply information to Congressional committees, invoking the Fifth Amendment's right against self-incrimination. Their failure to cooperate has embarrassed the White House, which had promised to get all the facts out.

In turn, the White House and its supporters in Congress have begun to propose that immunity from prosecution be granted the two former White House aides to compel them to provide information on the Iran operation and the diversion of funds to the contras.

Mr. Broomfield said this morning that "we can't have a prolonged investigation on this entire Iran initiative."

"I think once we can get by and get the information from both Colonel North and Poindexter, you'd be surprised how close we would be to concluding this investigation," he said. "They are the key men in knowing exactly what happened and who gave them instructions for the diversion of funds as well as the transfer of arms into Iran."

# Kelly Interviewed by F.B.I.

A White House official said the Reagan Administration "would not be averse" to the granting of immunity and "putting all the facts out." But senior Democrats and some Republicans said talk of immunity was premature.

In another development, a State Department spokesman said John H. Kelly, the United States Ambassador to Lebanon, was interviewed by the Federal Bureau of Investigation on Tuesday about his knowledge of the secret Iran operation.

The spokesman, Phyllis Oakley, also said David Ransom, the chargé d'affaires in Damascus, the Syrian capital, had been called home to answer questions. The spokesman said Mr. Ransom's return was "part of the process of getting lots of facts from lots of people"

On Monday, Secretary of State George P. Shultz said Mr. Kelly had disclosed that he had been in secret

communication with Admiral Poindexter, Colonel North and former Maj. Gen. Richard V. Secord on negotiations with Iran for the release of hostages without informing the Secretary. Mr. Shultz said he had summoned Mr. Kelly home to talk to investigators.

### Without Formal Authorization

Although Representative Broomfield did not divulge in detail his concerns about the way the C.I.A. had operated, other Congressmen took note after the hearing of Mr. Casey's concession that the C.I.A. had become involved with the White House national security council staff in the supply of arms to Iran in the summer and fall of 1985 without a formal authorization by President Reagan to do so.

Previously, Administration officials had said Colonel North persuaded the C.I.A. to help in supplying planes for the Israelis to provide American arms to Iran in return for the release of hos-

tages in Lebanon.

According to Representative Peter H. Kostmayer, Democrat of Pennsylvania, the C.I.A. became deeply involved on Nov. 22 and 23, 1985, while Mr. Reagan was in Geneva at a summit conference with Mikhail S. Gorbachev. Because of the lack of formal authority, he said, Mr. Casey told the panel that the C.I.A. in January asked for the formal finding provided by Mr. Reagan on Jan. 17 authorizing shipments of arms to Iran despite the publicly stated embargo on such shipments.

A sharp debate erupted today after the hearing over whether President Reagan was involved in the diversion of funds to the contras. Mr. Reagan has repeatedly denied knowing anything about this before being informed by Mr. Meese. And he has pledged a full investigation and the White House's cooperation.

Representative Stephen J. Solarz of Brooklyn, one of the senior Democrats on the committee, said he was convinced that Mr. Reagan had given permission for the diversion. He said that on the basis of what he had heard from Mr. Casey today, and Secretary of State George P. Shultz and Robert C. McFarlane, a former national security adviser, on Monday, "it is absolutely clear" that Colonel North and Admiral Poindexter would not have taken the initiatives toward the contras "without the approval of a higher authority."

"Given the way in which the White House works, it is my very strong feeling that that higher authority was probably, indeed almost certainly, the President of the United States himself," he said. Mr. Solarz stressed that his "opinion" was not based on hard evidence produced in the hearings.

His comments produced sharp responses from Republicans on the panel. Representative Michael DeWine of Ohio, a former prosecutor, said, "I'm frankly outraged by what he just said."

"We have absolutely no evidence that links the President of the United States" to the diversion, he said.

